

2007 Property and Casualty Market Conduct Annual Statement

Market Conduct Annual Statement:

The Market Conduct Annual Statement (MCAS) was developed through the National Association of Insurance Commissioners (NAIC) with the input of state regulators and industry representatives. The MCAS project is designed to provide analysis of certain key market performance data. The data is utilized by insurance regulators to review insurance marketplace activity in a consistent manner and identify individual insurer results outside statewide averages. Additional information regard the MCAS project can be obtained at: http://www.naic.org/industry_market_conduct_statement.htm

Statewide averages are calculated for seven categories for both Private Passenger Automobile and Homeowners lines of business portion of the Property & Casualty (P&C) Market Conduct Annual Statement data collection project. In 2007 all Illinois licensed companies with at least \$50,000 in homeowner's and/or private passenger auto premium were required to participate. The Illinois Department of Insurance received private passenger data from 243 companies and homeowner data from 160 companies.

The following charts provide a summary of the data collected from all participating companies for the period January 1, 2007 through December 31, 2007. Please note that all of the following data is for informational purposes only. The ratios do not necessarily represent standards for market behavior. This information does not establish insurer compliance or non-compliance.

This data cannot be used in any form of company advertising or marketing.

Private Passenger Auto	Statewide Average Ratio
1. The number of claims closed without payment compared to the total number of claims closed:	27.2%
2. Percent of claims unprocessed at the end of the period:	15.1%
3. Percentage of claims paid beyond 60 days:	20.5%
4. Non-renewals to policies in force:	.40%
5. Cancellations over 60 days to policies in force:	1.70%

6. Cancellation under 60 days to new policies issued:	5.3%
7. Suits opened during the period to claims closed without payment:	3.24%

	Number of companies with ratios falling in the range:											
Ratio	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100 %
1	7	15	83	60	48	19	10	0	0	0	1	0
2	2	66	114	25	21	10	0	2	1	0	2	0
3	7	21	68	66	46	14	8	4	2	1	6	0
4	50	117	2	2	2	0	0	0	0	0	2	8
5	86	136	2	4	4	3	1	0	0	0	1	10
6	94	120	9	6	1	1	2	3	0	0	1	6
7	71	136	23	2	2	1	2	3	0	0	0	3

Homeowners		Statewide Average Ratio
1. The number of claims closed without payment compared to the total number of claims closed:		25.4%
2. Percent of claims unprocessed at the end of the period:		8.9%
3. Percentage of claims paid beyond 60 days:		18.9%
4. Non-renewals to policies in force:		0.30%
5. Cancellations over 60 days to policies in force:		0.40%
6. Cancellation under 60 days to new policies issued:		2.6%
7. Suits opened during the period to claims closed without payment:		1.2%

	Number of companies with ratios falling in the range:											
Ratio	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40%to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80%to 90%	>90%to 100%	>100%
1	6	15	29	50	39	18	2	1	0	0	0	0
2	6	75	57	17	1	1	2	1	0	0	0	0
3	8	17	38	42	30	14	5	4	1	1	0	0
4	32	127	0	1	0	0	0	0	0	0	0	0
5	35	121	2	2	0	0	0	0	0	0	0	0

6	48	97	3	1	5	1	0	1	1	0	1	2
7	85	68	3	2	0	1	0	0	0	0	0	1

All inquiries regarding this data should be directed toward:

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